FISCAL NOTE

HB 2934 – SB 2939

June 15, 2020

SUMMARY OF BILL: Requires that unemployment benefits be paid to an individual despite such individual's failure to repay any past over payment, if such repayment is less than the amount to be awarded. Such benefit amount shall be equal to benefits payable minus the amount of repayment owed by the individual.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Due to a number of unknown factors, the exact fiscal impact and timing of such impact to the Unemployment Insurance Trust Fund cannot be reasonably quantified.

Assumptions:

- Unemployment overpayments can have varying degrees of severity. Based on information provided by the Department of Labor and Workforce Development, only overpayments that result from fraud are considered severe enough to be considered for a disqualification period.
- Only unemployment benefits that are greater than the unpaid overpayment will be considered under the proposed legislation. Further, any unemployment benefits received by the individual will be the difference of the unemployment benefit and the overpayment due to be repaid to the Unemployment Insurance Trust Fund (Fund).
- Due to a number of unknown factors, including the number of overpayments occurring annually, the number and length of any disqualifying periods, the amount of any overpayments that are due to be repaid to the fund, and the amount of interest and penalties resulting from overpayments, the exact impact to the Fund is unknown.
- Currently, beyond penalties and interest that are assessed to an individual who does not repay any overpayments, receiving unemployment benefits can also result in criminal prosecution.
- It is estimated that any reduction in criminal prosecutions will not result in a significant fiscal impact to state and local governments.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner

Krista Lee Carsner, Executive Director

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